

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

> GARY R. HERBERT Lieutenant Governor

> > February 23, 2006

Ed Rogers, Manager Wright/Garff Resources, LLC 1675 Beck Street Salt Lake City, UT 84116

RE:

<u>Division Actions Regarding Star Stone Quarries, Inc. Peoa Blonde Quarry,</u> M/043/012, Summit County, Utah

Dear Mr. Rogers:

In response to your February 10, 2006 letter, the Division offers the following clarification and discussion regarding the referenced mine permit.

First, mine permits are issued (approved) for life of mine. Star Stone Quarries, Inc. (American Stone) did not apply for a renewal of their permit in November of 2005. The Division had requested an updated map as part of a periodic review of the reclamation surety, which needs to be updated (escalated) to reflect current reclamation cost projections. The map submitted was sufficient for this process. However, the map also indicated some areas of the mine plan that Star Stone wished to revise. The revision was denied because the revision lacked sufficient detail, the Division didn't want to confuse the two actions, and didn't want to prolong the surety update. After the surety has been updated, the Division may require Star Stone to revise the operation and/or reclamation plans.

Second, the 0.78 acres that he has requested release from will be evaluated this summer. The area had been used for product storage only, and was reclaimed in 2003 after it had been determined that Star Stone did not have surface rights to this area. Action by the Division regarding this request should not affect Wright/Garff interests in the area.

Third, the Division recognizes that Mr. Thomas/Star Stone Quarries no longer has a mineral lease for the private mineral estate in lot 38. However, as pointed out, they currently have a valid right to the Federal mineral estate associated with lot 38. Mr. Thomas owns the surface right to this area and is using the surface to conduct mining operations.

Rule R647-4-104.2 only requires the operator to identify the surface and mineral ownership (it does not require that they actually have surface/mineral rights). The Division does not adjudicate property (or mineral ownership disputes. While the loss of a mineral right should suspend or terminate the removal of the mineral estate, it does not necessarily require a termination of the mining permit. Likewise, someone with valid rights to the mineral/surface could indeed apply for a mining permit, regardless of the fact that someone else already has a mining permit for the area.

Ed Rogers February 23, 2006 Page 2

Hopefully this addresses your immediate concerns. The Division encourages you to resolve this dispute directly with Mr. Thomas. Please don't hesitate to contact us if you have additional concerns or questions.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

SMW:LK::pb

ce: MaryAnn Wright, DOGM Daron Haddock, DOGM

Lynn Kunzler, DOGM

 $P:\GROUPS\MINERALS\WP\M043-Summit\M0430025-BrownCanQuarry-wrightgarff\final\letter-02152005.doc$